GOVERNMENT OF INDIA
COMMERCE AND INDUSTRY
LOK SABHA

UNSTARRED QUESTION NO:2402
ANSWERED ON:31.07.2017
Growth in Goods Exports
Vanaroja Smt. R.

Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

(a) whether it is a fact that India's goods exports recorded positive growth for the fifth consecutive months with a rise in shipments in January this year;
(b) if so, the details thereof;
(c) whether it is also true that the slowdown in global trade continues to impact India as well and if so, the details thereof;
(d) whether it is also true that the uncertainties in global economy are expected to pose challenges for exports in 2017; and
(e) if so, the details thereof along with the steps proposed to be taken in this regard?

Answer

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY (INDEPENDENT CHARGE)
(SMT. NIRMALA SITHARAMAN)

(a) & (b): The value of India's merchandise exports during last six months is as follows:

Months	Value of exports (US$ Billions)		% growth over corresponding month of previous year
	2016*	2017*	
January	21.20	22.29	5.13
February	20.85	25.54	22.54
March	22.91	29.14	27.20
April	20.89	24.62	17.85
May	22.40	24.01	7.20
June	22.66	23.56	3.97
Total of six months	130.90	149.16	13.95

Source: DGCI&S, Kolkata, (* Provisional)

The above data reflect that India's merchandise exports recorded positive growth during the last six months as compared to the exports of corresponding month of previous year.
(c) to (e): Though India has registered a positive growth rate in merchandise exports for the last ten months consecutively since August, 2016, the slowdown in global trade may continue to impact India during 2017 due to the following reasons
i. Fall in global demand and fall in commodity prices, impacting terms of trade for commodity exporters.
ii. Fall in the prices of petroleum crude resulting in consequent decline in prices as well as export realizations for petroleum products, which are major terms of exports for India.
iii. Fall in demand of precious goods like Pearls, Precious and Semi-Precious stones, especially from oil producing countries.
The Government has taken the following steps to boost India's exports and to face the challenges that may pose for exports in the year 2017:

(i) The New Foreign Trade Policy (2015-20) was announced on 1st April, 2015 with a focus on supporting both manufacturing and services exports.
(ii) The Merchandise Exports from India Scheme (MEIS) has been introduced in the Foreign Trade Policy (FTP) 2015-20 on 01.04.2015 with the objective to offset infrastructural inefficiencies and associated costs involved in exporting goods/products which are produced/ manufactured in India and to provide a level playing field to Indian exporters, especially those having high export intensity and employment potential. The Scheme incentivizes exporters in terms of freely transferable Duty Credit Scrips which are transferable and can be used to pay certain Central duties/taxes including customs duties. The Scheme covers exports of 7914 tariff lines at 8 digit levels to all countries.
(iii) The Services Exports from India Scheme (SEIS) has been introduced in the Foreign Trade Policy (FTP) 2015-20 on 01.04.2015. The Scheme provides rewards at the rate of 3 to 5% on Net Foreign Exchange earnings, to service providers of notified services from India to rest of the world, in the form of Duty Credit Scrips which are transferable and can be used to pay certain Central duties/taxes including customs duties.
(iv) The Government has implemented the Niryat Bandhu Scheme with an objective to reach out to the new and potential exporters including exporters from Micro, Small & Medium Enterprises (MSMEs) and mentor them through orientation programmes, counseling sessions, individual facilitation etc., on various aspects of foreign trade for being able to get into international trade and boost exports from India.
(v) As part of the "Ease of Doing Business" initiatives, the Government has launched Single Window Interface for Facilitating Trade (SWIFT) clearances project w.e.f 1st April, 2016. The scheme enables the importers/exporters to file a common electronic 'Integrated Declaration' on the Indian Customs Electronic Commerce/Electronic Data Interchange (EC/EDI) Gateway i.e. ICEGATE portal. The Integrated Declaration compiles the information requirements of Customs, FSSAI, Plant Quarantine, Animal Quarantine, Drug

Controller, Wild Life Control Bureau and Textile Committee. It replaces nine separate forms required by these 6 different agencies and Customs.

(vi) Interest Equalization Scheme on pre & post shipment credit was launched to provide cheaper credit to exporters.

(vii) A new scheme called Special Advance Authorisation Scheme for export of articles of Apparel and Clothing Accessories was introduced w.e.f. 1st September 2016 wherein exporters are entitled for an authorisation for fabrics including inter lining on pre-import basis and all industry rate of Duty Drawback for non-fabric inputs on the exports.

(viii) Further, the Government continues to provide the facility of access to duty free raw materials and capital goods for exports through schemes like Advance Authorization, Duty Free Import Authorization (DFIA), Export Promotion Capital Goods (EPCG) and drawback / refund of duties.

(ix) The Government launched a new scheme called Trade Infrastructure for Export Scheme (TIES) w.e.f. 15th March, 2017 with the objective to enhance export competitiveness by bridging gaps in export infrastructure, creating focused export infrastructure, first mile and last mile connectivity for export oriented projects and addressing quality and certification measures. The Central and State Agencies, including Export Promotion Councils, Commodities Boards, SEZ Authorities and Apex Trade Bodies recognised under the EXIM policy of Government of India are eligible for financial support under this scheme.

(x) The Government has approved the proposal for notification of commitments under the Trade Facilitation Agreement (TFA) of World Trade Organization (WTO), ratification and acceptance of the Instrument of Acceptance of Protocol of TFA to the WTO Secretariat and constitution of the National Committee on Trade Facilitation (NCTF). The Trade Facilitation Agreement (TFA) contains provisions for expediting the movement, release and clearance of goods, including goods in transit. It also sets out measures for effective cooperation between customs and other appropriate authorities on trade facilitation and customs compliance issues. These objectives are in consonance with India's "Ease of Doing Business" initiative.

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